



State Capitol | Lansing, Michigan 48913
PH (517) 373.3447 | FAX (517) 373.5849
www.senate.michigan.gov/gop/senator/birkholz/

For Immediate Release
June 29, 2006

Contact: Amanda Price
517-373-3447

Birkholz legislation promotes economic development

LANSING – Pro-jobs legislation that would create 10 renaissance zones for forest products processing facilities in Michigan is on its way to the governor, said bill sponsor Sen. Patty Birkholz.

The goal of the legislation is to increase timber supply, improve management of Michigan's private and state forestland and provide recreational opportunities to assist the state's economy and help create and retain jobs.

"Many of Michigan's rural communities depend on the forestry industry for jobs and economic survival but their livelihood is being threatened due to escalating timber prices," said Birkholz, R-Saugatuck Township. "Creating these tax-free zones will allow processing facilities to harvest our forests efficiently while keeping local residents employed."

The bills would offer tax exemptions to private landowners for managing their forestland, create forest product renaissance zones, update provisions of the commercial forest program, abolish some harvest limitations on state forestland and offer incentives for establishing conservation easements on commercial forestland.

The following considerations must be used when awarding a renaissance zone:

- Economic impact on local suppliers who provide raw materials, goods and services to the facility;
- Creation of jobs relative to the employment base of the community;
- Viability of the project; and
- Economic impact on the community.

Michigan's timber prices have risen to be among the highest in the nation because of supply shortages and increased demand. The high prices threaten the industry in Michigan and the many jobs it provides.

The forestry industry employs about 200,000 people and contributes \$12 billion in economic activity. Michigan's timberland acreage is the nation's fifth largest with 19 million acres.